





WHY STANDARDS MATTER

Standards are everywhere in our everyday lives. Standards influence everything from the safety of products to innovation in artificial intelligence and agricultural machinery, to the quality of construction works, services and energy efficiency, while ensuring the competitiveness and growth of European SMEs.

Standards are an indispensable tool to implement and make EU legislation and policies operational, and for SMEs to ensure conformity and compliance with national and European legislation.

THE FUTURE OF STANDARDS IS NOW

Standards related to eco-design, energy efficiency, cybersecurity or, soon, to the Digital Product Passport will be vital for developing the necessary infrastructure and measurement methods or ensuring data interoperability and integrity to benefit the EU society.

This new EU term will be pivotal for the future of the European standardisation system, with the ongoing evaluation of Regulation 1025/2012 on European standardisation, a renewed focus on standards as key elements of the Single Market and the willingness to advance European interests internationally. Over the past five years, the EU has passed a significant volume of legislation in areas like sustainability, digital and industrial policy. Standards are essential to translate the requirements of this legislation into clear specifications and protocols that enable SMEs to understand the practical requirements and expectations.

SMEs represent **99.8%**of all EU companies, providing over **65%** of European jobs and more than **50%** of all European added value.

It is now essential to ensure a fair and balanced standardisation system that allows SMEs to actively contribute to the development of standards, growth, the creation of jobs and prosperity.

Small Business Standards (SBS), the European association defending the interests of SMEs in standardisation at the European and international levels, is at the forefront of these efforts.



SBS CALLS FOR ACTION:

Ensure a more inclusive standardisation system that makes the Single Market work better for everyone.

Secure robust funding for standardisation and SME participation and support European global leadership in standards.

Promote SME-friendly digital and sustainability standards, letting SMEs fully harness the opportunities of the twin transition.

Ensure the timely development and citation of harmonised standards, which are key for SME growth.

Invest in the uptake and implementation of standards by SMEs to help them thrive.

Fully implement Regulation 1025/2012 on European standardisation, rather than

SBS represents 22,5 million SMEs across Europe through 22 SME member organisations.

its revision.

Our goal is to raise the awareness of SMEs and SME associations about the benefits of standards, facilitate the uptake of standards and to encourage SME participation in their development.

SBS is #MakingStandardsWorkforSMEs

- SBS produces studies and guides to assist SMEs in implementing standards.
- SBS interacts with policymakers and Standards Development Organisations.
- SBS supports and finances the activity of around 70 technical experts. Each year, they participate in the drafting of European and international standards on behalf of European SMEs.



ENSURE A MORE INCLUSIVE STANDARDISATION SYSTEM THAT MAKES THE SINGLE MARKET WORK BETTER FOR EVERYONE

An inclusive standardisation system that allows SMEs easy access and effective participation in the development of standards at the national and European levels is a precondition to the healthy functioning of the Single Market and to the growth of European SMEs.

Despite considerable advances towards inclusiveness in the European standardisation system, SME interests are still underrepresented. There is still room for improvement to ensure a more balanced and effective representation of their importance and interests, and SMEs' participation in the development of European and international standards.

In this context, the <u>High-Level Forum on European standardisation (HLF)</u> has provided an excellent platform for all stakeholders, including SMEs, since its establishment in 2022. The HLF has allowed to voice and exchange views, identify priorities, coordinate actions and build closer relationships between Member States, standards bodies and stakeholders. This initiative has allowed all relevant players, especially SBS, to play a more active role in standardisation policy. Therefore, SBS calls for the continuation of the HLF beyond the end of its current mandate in 2025.

It is crucial that the European Commission ensures a strong and balanced representation of SMEs in <u>Commission Expert Groups</u>, where standardisation-related issues are often discussed.



Another crucial area of action is improving access and participation of SMEs at the national level. SBS is leading work in this direction within the HLF and a set of recommendations for National Standardisation Bodies (NSBs) and Member States will be produced by the end of 2024. Strengthening the role of SMEs at the national level also has positive effects in international standardisation, as SMEs would have a greater influence in the position developed in each European country leading to international standards that meet SME needs.

SMEs also need support in navigating the standardisation system and in identifying which standards are relevant for them. Existing national best practices, such as the <u>DIN Standardisation Monitor</u> and the <u>ASI MeinNormen Radar</u>, are monitoring tools that allow stakeholders to track standardisation developments. These tools should be expanded and replicated at European-wide level.





- Continue and further strengthen the activities of the High-Level Forum on European standardisation beyond the end of its current mandate in 2025.
- Support the promotion of national measures to increase the participation of SMEs and SME associations in standardisation at the national level (e.g.: free access or at least strongly reduced participation fees) and leverage the national delegation principle to boost their impact in European and international standardisation.
- Create a freely accessible, EU-wide standards monitoring tool, based on DIN Standardisation Monitor and on ASI's "Mein Normenradar", to help SMEs to keep track of standardisation developments.
- > Ensure a strong and balanced representation of SMEs within the Expert Groups of the European Commission.



SECURE ROBUST FUNDING FOR STANDARDISATION AND SME PARTICIPATION AND SUPPORT FUROPEAN GLOBAL LEADERSHIP IN STANDARDS

Standards are the cornerstone of the European Single Market and a vital tool for SMEs to comply with legislation, grow, access new markets and innovate. Sustained and robust financial support is essential to ensure a strong and balanced European standardisation system.

The 2022 Standardisation Strategy reaffirmed Europe's ambition to lead in global standards and stressed the need for a strong and inclusive European standardisation system. However, this ambition must be matched with adequate resources to allow European SMEs and their experts to have the necessary impact. It is crucial that Europe's role in international standardisation is not dominated by large companies but reflects the needs of European SMEs, which represent 99,8% of all companies in the EU.

Boosting the participation of SMEs in standardisation and encouraging their use of standards should be absolute priorities.

In this sense, it is vital to allocate the necessary resources in the upcoming EU annual budgets and the future EU Multiannual Financial Framework negotiations. At the moment, most funding for the European Standardisation System comes from the Single Market Programme (SMP).

This includes financing the operations of the European Standardisation Organisations (ESOs) and the organisations mentioned in Annex III of Regulation 1025/2012, including SBS, that represent SMEs and civil society in European standardisation.

Given the proliferation of standardisation work, particularly to support EU green and digital policies, it is vital to increase this funding. Recent budget shortfalls such as those affecting Harmonised Standards (HAS) consultants, who assess compliance of draft harmonised standards with legal requirements, have led to delays in the production and citation of harmonised standards.

National governments should have a stronger role in supporting and financing standardisation process at the national level. Financial and human resources constraints are primary barriers to stakeholder participation. Direct government funding should go to SMEs and SME associations to finance experts to participate in national standardisation. Following initiatives already present in several EU countries, governments should cover the fees to be paid by SMEs and SMEs experts to join and participate in national standardisation.

For example, the French <u>"Credit d'Impôt Recherche"</u>, a tax rebate covering the expenses incurred by SMEs in their participation in standardisation is a best practice. A similar scheme should be developed and adopted by other European countries.





- Reaffirm Europe's global leadership in standards by increasing the level of funding for standardisation and for the participation of SMEs through the future annual EU budgets and Multiannual Financial Framework negotiations, via the Single Market Programme and other EU funding instruments.
- National governments should finance a stronger participation of SMEs and SME associations in national standardisation via funding of experts, covering participation fees in National Standardisation Bodies and offer tax rebates to SMEs participating in standardisation.



PROMOTE SME-FRIENDLY DIGITAL & SUSTAINABILITY STANDARDS, LETTING SMES FULLY HARNESS THE OPPOTUNITIES OF THE TWIN TRANSITION

Standards are essential tools for implementing European legislation and policy goals, making the twin transition operational in crucial areas like Artificial Intelligence (AI) or eco-design. Standards enable SMEs to benefit from the opportunities of the twin transition. Achieving these goals requires regulatory clarity and legislation that addresses the needs and specificities of SMEs, underpinned by inclusive and SME-friendly standards.

Information and Communication Technology (ICT) standardisation is vital to build a horizontal and interoperable market for products and services. This allows SMEs to expand their market share and participate fully in relevant value chains, preventing them from being sidelined by proprietary solutions imposed by larger companies.

As sustainability gains importance, related standardisation brings both challenges and opportunities to European SMEs.

It is crucial that EU green legislation avoids a one-size-fits-all approach, and that whenever requirements are set, they are feasible and specifically targeted for SMEs.

It is also vital to avoid a proliferation of new standards. Given SMEs' limited financial and human resources, the focus should be on adapting and revising existing standards rather than creating new ones, as highlighted in the standardisation strategy.

- Promote horizontal, interoperable markets for digital products and services to boost impact and success of SMEs at all stages of the value chains.
- Avoid one-size-fits-all approach and promote achievable requirements targeted for SMEs, particularly in sustainability-related legislation.
- Limit the proliferation of new standards to allow SMEs to fully take advantage of the opportunities provided by the twin transition.



ENSURE THE TIMELY DEVELOPMENT AND CITATION OF HARMONISED STANDARDS, WHICH ARE KEY FOR SME GROWTH

Harmonised standards, which give a presumption of conformity with EU legal requirements, are extremely important for SMEs to maintain their competitiveness, scale-up and grow. It is important that harmonised standards are developed with the participation of SMEs and assessed by the European Commission using clear and stable criteria. The citation of harmonised standards should be carried out in a timely and transparent fashion after the delivery by the ESOs, with any delay duly justified in writing by the European Commission. Only a timely delivery and citation of harmonised standards will allow SMEs to fully reap their benefits.

The European Commission has included provisions in its legislative proposals allowing the drafting of common specifications, if ESOs do not deliver requested harmonised standards in a timely fashion.

Given the current lack of clarity on the development of these specifications, SBS reiterates that such specifications should be developed as a last resort, and that their production should involve all relevant stakeholders through an inclusive and transparent process.

Translation of harmonised standards is important for SMEs as it ensures they can fully understand and implement these standards, regardless of their language proficiency, thereby enhancing compliance, competitiveness and reducina barriers to participate in the Single Market. SBS calls for the European Commission to reinstate the dedicated budaet allocated to translate harmonised standards into all official EU languages, which was interrupted in 2023.

- Ensure an inclusive development process for harmonised standards with clear and stable assessment criteria, to allow timely delivery and citation.
- The Commission should establish a clear timeline for the citation of harmonised standards in the OJEU and provide a written justification for any delays.
- The Commission should refrain from producing common specifications unless
 as a last resort and ensure any such future specification are developed through a fully inclusive and transparent process.
- Reinstate the financing by the European Commission of the translation of harmonised standards into all official EU languages, to help SMEs use and implement standards.



INVEST IN THE UPTAKE AND IMPLEMENTATION OF STANDARDS BY SMEs TO HELP THEM THRIVE

Both EU institutions and national governments are well positioned to drive significant improvements in this area. The EU as well as national funding and support schemes must be used to develop targeted projects and initiatives to enhance the use and integration of standards across SMEs. Collaboration with national and European SME associations will be crucial in this process.

Additionally, addressing the need for new generation of standardisers among entrepreneurs and SMEs is essential.

Integrating standardisation aspects in existing university curricula, vocational training and lifelong learning programmes will bring more awareness of standards and their benefits.

Involving more SMEs and entrepreneurs in the standardisation process leads to more balanced standards and to a higher use and uptake of standards by European SMEs.

Such efforts, both at European and national level, should receive appropriate financial and organisational support, including funding from programmes such as Horizon Europe and Erasmus+.

- Launch European funding and technical assistance schemes to promote the use
 and implementation of standards by SMEs in cooperation with national and European SME associations.
- Finance and promote national initiatives to integrate standardisation into universities, vocational training and lifelong learning by pooling resources from existing research, innovation and education programmes, like Horizon Europe and Erasmus+.



FULLY IMPLEMENT REGULATION 1025/2012 ON EUROPEAN STANDARDISATION, RATHER THAN ITS REVISION

Regulation 1025/2012, the legal basis for the European standardisation system and currently undergoing evaluation, is still fit for purpose. SBS believes the focus should be on fully implementing its provisions, in particular Articles 5 "Stakeholder participation in European standardisation" and 6 "Access of SMEs to standards"), rather than on its revision.

If a revision of the Regulation is considered at any point, policymakers must ensure that the rights of SMEs in national and European standardisation are a top priority. The European Court of Justice (ECJ) ruling C-588/21-P (Public.Resource.Org and Right to Know v Commission and Others), also known as the Malamud case, concluded that while harmonised standards are protected by copyright, there is an overriding public interest in their disclosure.

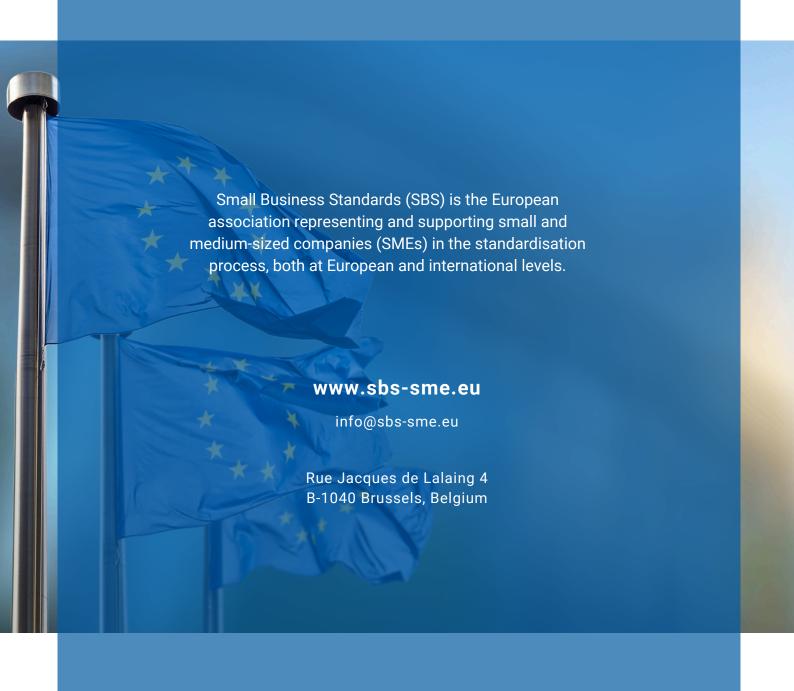
The implementation of the ECJ ruling must be carefully managed to ensure the sustainability of the European standardisation system.

It is crucial that this process does not result in additional costs for SMEs, either in accessing nonharmonised standards or participating in technical standardisation work.



- Strengthen the role and participation of SMEs in European standardisation by fully implementing Regulation 1025/2012 and guaranteeing their rights if a revision of the Regulation takes place.
- Implement the <u>ECJ ruling</u> of public access to harmonised standards without putting at risk the sustainability of the European standardisation system and without harming SME participation in standardisation or access to standards.





Financed by the European Union and EFTA





